

# A Step Backward Instead Of Forward

*(Introductory document in a series of four on the US takeover of Canada & on the Chartered Banks)*

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Statement on the draft resolution **Canada and the Crisis of World Imperialism**

By Ross Dowson, November 22, 1972

With the presentation of the document **Canada and the Crisis of World Imperialism** by the Political Committee majority, a discussion, first opened up in the Political Committee and the Central Committee (*of the League for Socialist Action/Ligue Socialiste Ouvrière*) early in the spring of this year, has come before the membership and will come before the convention for resolution.

No doubt some inkling of what it concerns has overflowed these confined areas of discussion. Some comrades may know that a memorandum on Canadian nationalism adopted by the Political Committee was repudiated upon the recommendation of its authors by the last Central Committee plenum. The vote was unanimous but different persons made it so for quite different reasons, none of which were developed in written form. We agreed with the general line of the memorandum but in the light of possible misinterpretations and the importance of the question we felt that it should not go before the movement in its skeletal and generally unsubstantiated form. For that reason we too agreed to its withdrawal.

The plenum itself, after a wide range of contributions, could have been interpreted as bringing into question (because of an alleged false method) the work of the movement for a whole period of time (how far back and what work specifically, depending on the opinion of various speakers). However, it adopted only two motions on the area of our present discussion. One specific, but not very meaningful, and the other extremely general. The plenum also withdrew the women's liberation document. It went into limbo along with the political resolution and the Quebec document.

The concrete, the written motion on Canada-US relations adopted by the plenum did nothing more than put us on record as opposing bourgeois nationalism — not nationalism, but bourgeois nationalism. We understand that the wording was taken from our 1968 convention resolution — thus tending to affirm its validity. This motion therefore instead of helping in any way to define the differences continued to keep them penned up.

The plenum further adopted the general line of comrade Riddell's report and instructed the Political Committee to prepare a new document on Canada-US relations for the coming convention. However, a subsequent proposal to the Political Committee that the memorandum prepared by comrade Riddell and circulated at the plenum, be circulated in the pre-convention discussion bulletin, was denied on the basis that this memorandum was only a working paper. The wording of the motion that committed us to opposition to bourgeois nationalism, with which everyone agreed, was the second paragraph in that uncirculated memorandum.

Some comrades may be uneasy that such a discussion should remain in such restricted levels of the movement and for so long. Usually Trotskyists are the first to insist on discussing differences — to even, in a scrupulously scientific manner, of course, searching them out and bringing them forth into the full light of day. We did not wish to speculate what the differences are, to pin down what this or that comrade is remembered to have said in verbal argument. We wanted to eschew speculation, to evade all danger of misinterpretation. Although it is late in the day — the convention is only a month away and this discussion is certain to influence the political resolution which has not yet been presented

— we now have the document of the majority. The shortness of time means that our discussion must be revved up and that all comrades must allocate the time to follow all contributions to the bulletin on a determined basis.

It is our considered opinion that this debate is the most important debate that has taken place in the Canadian section. It can and must be a tremendous educational experience that arms us all for the great struggles ahead.

The discussion starts off with the rounded and developed position approved by the majority of the Political Committee. We did not attempt to amend this document, but voted against it. We intend to examine every aspect of this document. This can be done without explicitly defining our own overall position on Canada-US relations, particularly in the light of developments since our last big discussion in 1968 and the adoption by that convention of a written resolution published with relevant material in a pamphlet "Canada-US Relations." Criticisms of the various aspects of the document **Canada and the Crisis of World Imperialism** stand on their own merits.

Our efforts in the first period of the discussion will be of a highly critical character and sweeping in scope. We therefore feel that the members of the LSA/LSO and our co-thinkers in the YS/LJS (Young Socialists/Ligue des Jeunes Socialistes) have a right to know at the very beginning of the discussion, even if only in a partial way, what our own more generalized and alternative position is. This would tend to confine the dispute to the areas that we think are the real ones and the key ones. This is all the more necessary as the document **Canada and the Crisis of World Imperialism** in the process of its development argues against various ideas some of which we hold, other which have nothing in common with our position. For that reason, while we will develop them fuller at a later stage, as information to the comrades we have decided to append to this contribution a very short and quite inadequate summary of our views as we made them known to the Political Committee meeting of November 14th — 4 days after we saw the first draft and the first of the two PC discussions on the document **Canada and the Crisis World Imperialism**.

## Abandoning our position on the progressive nature of Canadian nationalism

What is the overall significance to our movement of the document **Canada and the Crisis of World Imperialism**? This document reopens a discussion that our movement had back in 1968. Every comrade, particularly those comrades who were deprived of the opportunity to participate in that discussion in all its fullness, should immediately and very thoroughly study the main documents relevant to that discussion — particularly the ones that the majority (and, following the Engler-Rands split) the entire movement formally agreed upon. They are contained in the widely circulated pamphlet - "Canada-US Relations — A Socialist Viewpoint."

What was the main line of the position we adopted — the position which our movement is committed to advance up until a convention decides otherwise?

The document has many parts which one or another of us may find of particular significance — but the line of the document was in the collective opinion of the leadership at that time very precise and clear. We were compelled in the process of the debate to define it. The opposition led by Engler launched a series of sweeping attacks against it on every level, but, to our surprise, ended up supporting its central thesis. We were therefore compelled to say the chief problem was a methodological one.

The following comments carried in the internal bulletin bear the name of comrade John Riddell. He was the reporter. But they were not his alone; they were all of ours. They were the opinion of the entire leadership of that day, less Engler's supporters, and just happened to be available in clear and unmistakable English.

Here is how the entire leadership summarized the main line of the 1968 document in 1968:

"The thesis of the Political Committee can be briefly stated. U.S. imperialism is the overbearing power of the entire capitalist world and it enjoys particular dominance in Canada through its extensive economic penetration of this country which has reduced Canadian capitalism to the status of compliant junior partner. An anti-US sentiment has been developing in opposition both to US imperialism's world policies and its penetration of Canada. Far from being

"nationalist," far from uniting the nation behind the bourgeoisie, this sentiment is anti-imperialist in character, finds little or no support in any important sector of the ruling class, and leads towards an anti-capitalist understanding. Our approach to this sentiment must be to identify with it, and lead it toward socialist conclusions."

Comrades who were in our movement during the 1968 debate or who read comrade Riddell's contribution to the June 1968 Internal Bulletin entitled "The Method and the Substance of Comrade Engler's Nationalism and Anti-Imperialism" will be surprised to see that the debate now opening up is largely a replay of the 1968 debate.

There are two main differences — the present majority arguments as expressed in **Canada and the Crisis of World Imperialism**, and as will come up in the course of the debate, are substantially the arguments advanced by Engler and his tendency - which were rebutted and defeated by our leadership. The other chief difference is that in 1968 both Engler and the majority came to common conclusions about the significance of the anti-US imperialist sentiment. We had a common line accurately summed up in the above statement by comrade Riddell. In 1972 the PC majority, in its contribution **Canada and the Crisis of World Imperialism**, dumps the 1968 thesis, root and branch. Defeated in 1968, Engler lives on in **Canada and the Crisis of World Imperialism**.

It is this thesis of 1968, the line of the document "Canada-US Relations," that the document **Canada and the Crisis of World Imperialism** rejects — totally and absolutely — whereas we continue to uphold it.

In our opinion all the developments since 1968 have sustained in a most remarkable way the thesis of 1968. "An anti-US sentiment has been developing in opposition both to US imperialism's world politics and its penetration of Canada" — on an ever-widening scope and has unmistakably become a major factor in Canadian political and social life. It is not something that the editors of the largest circulation daily and monthly magazine in Canada have pulled out of their typewriters, but a fact of life which they are trying to prevent from developing to "an anti-capitalist understanding" as it continues to do so, regardless of our participation.

Even the editors of the **New York Times** felt called upon to address themselves to the Nixon administration on this matter on November 12. They warned it to not "stoke the fires of anti-Americanism north of the border" and pointed out that "the New Democrats go much further than the two bigger parties in opposing American ownership of Canadian resources and industry" which even they see, from a totally different class viewpoint, is one of the roots of "anti-Americanism."

Without pursuing this aspect of the question further in this contribution we would recall that it has long been a common opinion in our movement that the contention of the 1968 position of the movement that the anti-US imperialist sentiment leads to an anti-capitalist understanding, was brilliantly affirmed in only a matter of months after its adoption. Important forces among the youth, radicalized by "US imperialism's world policies (Cuba, Vietnam) and its penetration of Canada" barreled into the NDP to build under the name of Waffle the largest and most viable left wing yet seen in the entire history of social democracy in Canada.

We have so far referred only to the main line, the thesis of the 1968 document, which we think was absolutely correct then and has proved to have been a prophetic guide to our work — contrary to the authors of **Canada and the Crisis of World Imperialism**, who now want to dump it. The thesis is what you might call the whole of the document. What about its various parts? Since the proponents of **Canada and the Crisis of World Imperialism** seek to have the movement dump the whole, they must of necessity find fatal flaws in its parts that go to make up the whole.

Of course, we would not write Canada-US Relations in the same way today as we did back in 1968. No document or statement by Marx-Engels- Lenin-Trotsky or any of their proponents would be written today as it was originally conceived by the authors. That does not mean, as some revisionists claim, that Marxism has not established any positions, but is only a method. We are all acquainted with Engel's innumerable introductions to the various editions of the **Communist Manifesto** that came out in his lifetime, and with Trotsky's introduction.

For us the key question is the main line of the document. That there are some vagaries, some open-ended formulations that could possibly lead to misunderstandings and perhaps even erroneous conclusions does not unduly disturb us. It only upsets persons who seek a dogma, something immutable and fixed for all time. Marxists are continually testing and refining their views in experience, in life. In that spirit we have examined every aspect of the 1968 document.

There are refinements, developments of certain aspects of it to be made, but we think that it stands up remarkably well. We think that this is so, above all, because of its method which is both materialist and dialectical. We predict that while there may be some confusion on this matter among the supporters of the document **Canada and the Crisis of World Imperialism** - and we are not referring to the Revolutionary Communist Tendency (an ultraleft tendency around the LSA -ed.) — they will come to attack what they claim to be the false method of the 1968 document.

## The false internationalism of the League leadership

But what is wrong with the document **Canada and the Crisis of World Imperialism** over and above the fact that instead of standing upon and updating our 1968 position it rejects its central thesis? What is wrong with the document in itself? We will attempt to summarize its faults.

1. It's world approach to the question of Canada-US relations, while commendable in spirit and apparently in the tradition of Trotskyist internationalism, in actual fact violates that spirit and is false. In essence it substitutes a false internationalism for a correct analysis of the world, the specific and concrete relations between Canada and the US, and a scientific, even a factually accurate analysis of the Canadian economy itself. "The categorical requirement of Marxist theory in investigating any social question is that it be examined within definite historical limits, and, if it refers to a particular country (e.g., the national programme for a given country), that account be taken of the specific features distinguishing that country from others in the same historical epoch." — Lenin in **The Right of Nations to Self-Determination.**

This false substitutionist "internationalism" has resulted in the document **Canada and the Crisis of World Imperialism** containing all kinds of contradictory and mutually exclusive concepts and many simple but very important misleading factual errors. For instance on page 8, in a paragraph presumably dealing with real facts of Canada-US economic relations, the authors write, "With the exception of the Auto Pact and energy resources imports, Canada was not exempted from the 10% import surcharge..."

The exception of the auto pact is no small matter as it is a pact that has brought about a most remarkable continentalization of auto production and marketing, so too energy resources. But the authors do not appear to know that Canada has been exempted from the 10% surcharge - as have Germany and Japan following their knuckling under to Washington's demands of monetary reform.

The central paragraph on page 8, attempting to make the case that "Ottawa has frequently intervened" against US takeovers is truly striking in its naiveté. The few, very few hard facts in that paragraph only point out what almost everyone knows — that Ottawa has actually only made feeble and tokenist protests and in reality has accepted, if not actually opened the way for the US takeover.

Internationalism to be genuinely Trotskyist must heighten our understanding of these processes by putting them in the correct framework of the world-wide character of capitalism in the imperialist epoch, towards our understanding of the total dynamics of the process and its specific, concrete expression in Canada. Genuine internationalism arms the Canadian revolutionary socialists, who must make the Canadian revolution at the leadership of the Canadian working class, mobilized around issues that flow out of the specific way that the world-wide crisis of imperialism and the crisis of Canadian capitalism find its reflection in Canada and in the consciousness of the Canadian working class.

The internationalism of the document **Canada and the Crisis of World Imperialism** is an abstract and disembodied internationalism which fails to grasp that which the Marxist doctrine assumes as an indisputable fact — that the socialist revolution can only begin on a national basis, that while abstract considerations of international solidarity can set in motion the top branches, the students, the intellectuals, who can become important acquisitions to the vanguard - the trunk of the tree has to be shaken, the masses themselves have to be set in motion. They can only be set in motion to perform the terrible and great deeds of the revolution in the face of the machinery of the capitalist state through the consciousness that their conditions and circumstances leave them absolutely no other alternative.

# The sustained hegemony of US imperialism

2. The document **Canada and the Crisis of World Imperialism** completely revises our basic understanding of the role of the United States in relationship to the rest of the world capitalist powers. Ever since World War I the world Trotskyists have seen US capitalism as the dominant and overriding power both on the world scale and in relationship to all other imperialist powers. This document presents and in fact is based on a very one-sided and mechanical picture of the monetary crisis which is a reflection of the insolvable contradictions and developing world capitalist difficulties.

Back in 1928 Trotsky warned those revolutionists who saw the developing world capitalist crisis against concluding that "the hegemony of North America will be restricted or weakened. Such a conclusion can lead only to the grossest strategical errors." "Just the contrary is the case. In the period of crisis the hegemony of the United States will operate completely more openly and more ruthlessly than in a period of boom. The United States will seek to overcome and extricate her difficulties and maladies primarily at the expense of Europe, regardless of whether this occurs in Asia, Canada, South America, Australia or Europe itself, or whether this takes place peacefully or through war." (Trotsky's **Third International After Lenin**, p. 9)

Over the period of the Great Depression, World War II and its aftermath, the US overcame its difficulties "at the expense of Europe," (meaning Britain) in Canada, by ruthlessly and completely supplanting Britain in control of the Canadian economy. By 1968, and since then, in a series of gigantic leaps, US investment in Canada expanded to such a degree that it now controls the Canadian economy.

How will the US operate more openly and more ruthlessly, and as the crisis develops? **Canada and the Crisis of World Imperialism** has the Canadian capitalist class, who have accepted and participated in the US takeover, suddenly changing, setting and fanning fires of national chauvinism — rallying the Canadian masses, for war against the American workers perhaps, reorienting the Canadian economy in the direction of China, Germany, Japan, France etc., etc. We see the exact opposite taking place — the US even stepping up its takeover of the Canadian economy, and further integrating the economy with that of the US - the Canadian capitalist class going along with it (they can do nothing else) — and the anti-US imperialist sentiment reaching new and higher levels of an anti-capitalist character.

3. The document **Canada and the Crisis of World Imperialism** in the course of revising our concept of the central role of US imperialism has presented a view of world economic forces and inter-imperialist relations which defy all economic reality, all laws of development. We will quote the key paragraph:

"The history of imperialism shows a constantly shifting balance of forces, in which the second rank power of yesterday frequently surges forward to catch up and bypass its earlier developed neighbour. The law of uneven development undermines in turn each supreme imperialist power. Any prediction based on the assumption that the inter-imperialist balance of forces will not change will surely prove erroneous."

Suffice it to say at this time if this concept were true it would be impossible for our world movement to work out anything even approximating a world strategy. All this is done in the name of the law of uneven development. One of the most precious achievements of Marxist theory to explain contradictions in the evolutionary process is turned into mystification.

## Ernest Mandel: Canada an exceptional case

4. The document **Canada and the Crisis of World Imperialism** reveals a complete misunderstanding of the nature of imperialism. This is perhaps most glaringly revealed in its refusal to recognize that United States capitalism's relationship to Canada, while unique in many respects, is nonetheless that of an imperialist power.

This document contains several extensive quotes by comrade Ernest Mandel. We will have more to say as to the applicability of these quotations culled from a book written some years ago (1967) on **Europe and America**. There is no question that this book is relevant to our discussion. However, there is one quotation in it not brought to our attention (see p.24) that might be considered at least as relevant as others if only for the simple reason that it specifically deals with the country that we have to know inside and out, because it is where we are going to make the revolution — Canada.

After commenting that none of the industrialized nations in Western Europe "is currently being taken over wholesale by American capital" Mandel adds a footnote: "It is true that there is an exception: Canada, a modern industrial nation where ownership of an absolute majority of the non-agricultural means of production has fallen to the USA."

Comrade Mandel made some even more relevant comments at McMaster University only last year - on Canada and imperialism — precisely on the question that confronts us. When asked by a McMaster University student if Canada is a colony, Comrade Mandel replied: "I do not think that Canada is a colony because I do not think that you can determine the structure, the social and economic structure --> of a country by formal criteria, the weight of foreign capital and so on and so forth. The situation of Canada is a very peculiar one, I think that the best way to describe it is with the formulation used by the American Marxist Nicolaus with whom I have many disagreements but who on this occasion has coined a very nice formula. He has spoken about an "imperialized imperialism" and I think that this hits the nail right on the head..."

Comrade Mandel made some other interesting comments on the question of economic integration etc., which we must make available in the course of this discussion. The transcript has yet to be edited.

Why does the document **Canada and the Crisis of World Imperialism** appear to gag on the concept that Canada is imperialized?

It does not recognize the existence of a broad, genuinely radical anti-imperialist sentiment with an anti-capitalist thrust. Its authors claim to have searched high and low for such a phenomenon, in vain. In reality it is a striking fact of Canadian life, easily established by examining public opinion polls, the evolution of left currents, the character of a number of protests in the past years, etc.

Even worse, from the point of view of our theory of imperialism, the document gets involved in the plus and minus game as to whether the Canadian working class suffer or actually benefit from US capital investment. The implication is that if a balance is drawn at a certain time, and the result is estimated to be a minus, then we would call it imperialist. Imperialism would appear to be a hate word, which is quite understandable, rather than an economic term, a scientific word defining a stage in the economic development of capitalism.

In the process of this discussion we will document the completely imperialist nature of US relations to Canada, and not just Quebec, but English Canada too.

We take for granted that all of us recognize that English Canadian capitalism has an imperialist relationship to Quebec. However, we must admit our surprise at comrade Fidler's article "MISC Drifting to the Right?" (*MISC: Movement for an Independent Socialist Canada, as the Waffle forces became known after their recent and dramatic expulsion from the NDP -ed.*) in the October 23, 1972 **Labor Challenge**. Comrade Fidler writes that English Canadian capital holdings in Quebec "are more extensive than those of US capital."

That is not the way the authors of the Quebec CSN (*Conseil des Syndicats Nationaux, the second-largest and most militant union federation -ed.*) **Manifesto "It's Up To Us"** see things there. In their extensive analysis of the Quebec economy, which relates in detail the looting of Quebec by US imperialism, they see the Quebec national bourgeoisie and the Anglo-Canadian bourgeoisie leaning on one another for their very survival against the US colossus. We find it difficult to grasp how we can fail to recognize US as imperialist in English Canada and recognize it as imperialist in Quebec, particularly when often the identical corporations exploit both areas in Canada.

Until such time as we can take this matter of the imperialist exploitation of Canada up in detail it will suffice to note that US capital investment took almost 1 billion dollars in profits out of Canada in one year - 1971.

## Leon Trotsky on the anarchy of imperialist development

Commenting on imperialism, Trotsky had occasion to note two fundamental tendencies — "both of which arise from the nature of capitalism -." "By drawing the countries economically closer to one another and leveling out their stages of

development, capitalism however operates by methods of its own, that is to say, by anarchistic methods which constantly undermine its own work, set one country against another, and one branch of industry against another, developing some parts of world economy while hampering and throwing back the development of others. Only the correlation of these two fundamental tendencies... explains to us the living texture of the historical process.

"Imperialism thanks to the universality, penetrability, and mobility and the break-neck speed of the formation of finance capital as the driving force of imperialism, lends vigor to both these tendencies. Imperialism links up incomparably more rapidly and more deeply the individual national and continental units into a single entity, bringing them into the closest and most vital dependence upon each other and rendering their economic methods, social forms, and levels of development more identical. At the same time, it attains this goal by such antagonistic methods, such tiger leaps, and such raids upon backward countries and areas that the unification and leveling of world economy which it has affected, is upset by it even more violently and convulsively than in the preceding epochs. Only such a dialectical and not purely mechanical understanding of the law of uneven development can make possible the avoidance of the fundamental error which the draft program, submitted to the 6th congress, has failed to avoid." **Third International After Lenin, p. 20**

5. The document **Canada and the Crisis of World Imperialism** expounds a completely false concept of the state. Point 8, on page 5 reads that the Canadian bourgeoisie is "in full control of the Canadian state, and through it (in full control - R. D.) of the Canadian economy."

Who really owns Canada, as we will show in a subsequent economic analysis, is crystal clear. Certainly not the Canadian working class, and not the Canadian capitalist class. The American capitalist class owns Canada — the transfer of ownership from Anglo-Canadian capital to American capital has taken place and is taking place without a revolution or coup d'état essentially because it does not involve a change in class ownership (bourgeois to proletarian) — it is not a social revolution. It did not involve a war because it is not an event but a process — one that at no stage could the Canadian capitalist class have effectively resisted.

In our 1968 document we posed the question that was widely asked then and is now even more widely asked: "Does the Canadian capitalist class actually rule Canada or does the US capitalist class in effect own and rule Canada?" At that time we did not give a yes or no answer to this question. We said that it was not necessary to give a formal answer to this question because of the special relationship that Canada has to the US. By that we did not mean, if there is any lack of clarity in this respect in the 1968 document, that there were no conflicts and antagonism between Canadian capitalist interests and US capitalist interest.

Even within the capitalist nation states there are innumerable conflicts between various blocks of capitalists. The main conflict, in which we are directly involved on a day-to-day basis, is the conflict between labor and capital - the latter holding state power. The state is designed to uphold on every front the power of the ruling class, the class that owns the means of production, against the working class. It also serves to reconcile the conflicting interests of capital within the nation state into a coherent national policy, and to determine the overall interests of the Canadian capitalists as a class in their relations with the ruling class of other nation states, particularly of the United States.

Does Canada have a special relationship with the US? Nixonomics notwithstanding, it does. This is not determined by some conjunctural interests, by such variables as will or desire, but by the economic facts of life, the specific and concrete ones that prevail between the US and Canada.

## **Does the Canadian capitalist class rule Canada?**

The formalistic question, "Does the Canadian capitalist class or the US capitalist class rule Canada?" invites the formalistic reply that the US capitalist class rules Canada. However we must insist, paraphrasing the 1968 resolution, that there are no longer policies that the Canadian capitalist class can pursue that can take it into real conflict with the US ruling class — that the former have "arrived at a mutually agreeable relationship with US capital in their common exploitation of the work force of this country and its vast natural resources." There is a mutual agreement, not without conflicts, because the Canadian capitalist class above all can do no else.

What is all this about the Canadian state as a structural bastion that defends the particular interests of the Canadian bourgeoisie against the US bourgeoisie who own and control the commanding heights of the Canadian economy? The laws of economic development prevail over any and all devices created by humankind to stand in their way. Their victory can be delayed, but their victory is inevitable.

Frederich Engels expressed this concept in relation to Canada and the United States in a letter to a friend while he was vacationing in Canada, dated September 10, 1888:

"It is a strange transition from the States to Canada. First one imagines that one is in Europe again, and then one thinks one is in a positively retrogressing and decaying country. Here one sees how necessary the feverish and speculative spirit of the Americans is for the rapid development of a new country (presupposing capitalist production as a basis) and in ten years this sleepy Canada will be ripe for annexation — the farmers in Manitoba, etc. will demand it themselves. Besides, the country is half annexed already socially — hotels, newspapers, advertising, etc., all on the American pattern. And they may tug and resist as much as they like; the economic necessity of an infusion of Yankee blood will have its way and abolish this ridiculous boundary line - and when the time comes, John Bull will say 'Yea and Amen' to it." **Letters to Americans**, p. 204 Events did not unfold exactly as Engels predicted but their essential thrust as outlined by him makes this letter amazingly prophetic. This letter could be the basis for a valuable essay by some young Marxist theoretician developing in our ranks, for publication in our theoretical journal.

We are reminded by the authors of **Canada and the Crisis of World Imperialism** of the high degree of state intervention in the Canadian economy by Canadian capitalist interests — their utilization of the public treasury to build the CNR-CPR, CBC, Air Canada, Hydro, Polymer, etc. These had two basic features - attempts by the Canadian capitalist class to block the inexorable workings of history — a US takeover — and acts to fill in areas necessary to the functioning of an advanced capitalist economy where it was not profitable for them to allocate capital at that time. The CBC, Air Canada and Polymer are now in the process of being broken up. Far from being evidence of a powerful Canadian capitalist class they are proof positive of a weak capitalist class.

Engels once defined the state as bodies of armed men. How ridiculous is the conception of Canada as a powerful imperialist state when it does not even have an armed force of real consequence and its essential feature is its commitment to the defense of imperialist interests across the globe - very often not even its own specific imperialist interests, but those of US imperialism. Not only does Canada have no army of consequence but it can be said, under its commitments to the US dominated NATO-NORAD military alliances, to be in effect, right now, an occupied country, occupied by the army and air force of US imperialism.

Insofar as it is capable of defending the specific interests of the Canadian capitalist class against antagonistic US capital interests, the Canadian state is an extremely weak state. It is not nearly so weak of course when it comes to dealing with the rebellious Québécois and English Canadian working class. The attempts of the document **Canada and the Crisis of World Imperialism** to depict a strong Canadian national bourgeoisie with wide and important holdings in Canada and with powerful imperialist interests across the globe and particularly in the US are indeed painful, all the more in that as we will show in a subsequent contribution they have no substance in the bedrock of economics and completely violate the indisputable fact that the Canadian bourgeoisie does not stand up to the American bourgeoisie. This is not because they are incompetent. Trudeau is one of the most astute bourgeois politicians in the world who on occasion has even lectured Nixon unashamedly with the aid of Marxist economic theory. Nixon on the other hand is an ignoramus. The Sharpes, and the Greenes are not bumpkins — they just don't have any economic leverage. The Gordons and Kierans, who have protested against this simple fact of life have been tossed out of the inner circle of liberal ideologues — the latter now interestingly enough, in individual agony of spirit, sidling up to the Canadian labor party - the NDP.

6. The document **Canada and the Crisis of World Imperialism** demonstrates a serious misunderstanding of the national question. This error is much more understandable than other errors as it is perhaps the single most complex question confronting revolutionary Marxists today. As anyone reading the press across Canada, right, left and center, with few exceptions, and the same holds for the TV and radio, the term nationalism is used to describe what we designated as an anti-US imperialist sentiment in the 1968 document.



# Nationalism is specific, complex - often in contrast to patriotism

It should be noted that the 1968 convention at the same time as it adopted "Canada-US Relations" took the first important step forward for the Canadian Trotskyists to come to grips with Quebec nationalism. It adopted the document "Vive le Québec Libre."

After describing what is scientifically bourgeois nationalism, in the top paragraph of page 9 of the document "Canada-US Relations," we asked "What in common with this has the phenomenon which we can see developing across the country on the question of Canada-US relations?" The next few paragraphs showed very clearly and incisively that what we were dealing with today in Canada was not to our mind bourgeois nationalism. On page 8 of the document we argued that to designate it nationalism "is a misnomer, causing confusion rather than giving insight into this phenomenon, its dynamics and direction. More correctly", we said, "it should be designated as an anti-imperialist sentiment — developing towards an anti-capitalist consciousness."

We think that everything that the 1968 document says about the phenomena which we saw in its nascent stage and is now flourishing forth is true. It is not reactionary bourgeois nationalism — "far from uniting the nation behind the bourgeoisie, far from smearing over class lines, (it) is tending to unite the overwhelming majority of all other classes and sub-classes **against** the bourgeoisie. It is discrediting the traditional parties of the bourgeoisie as not representing any interest that can be said to be Canadian, as being in essence agents of another power — a foreign power, US imperialism - whose role is increasingly becoming more clear and more hated and more feared."

In dumping the central thesis of our 1968 position, the document **Canada and the Crisis of World Imperialism** claims there is no anti-US sentiment, no anti-US imperialist sentiment that can be said to be progressive, and it fixes onto this phenomenon the label of nationalism — not just nationalism but very clearly — reactionary bourgeois nationalism.

We too are now prepared to accept the term nationalism to designate what until now we have called an "anti-US imperialist sentiment". It is much more complex than this and is certain to become more so as it continues to grow in the next period. We do not, however, consider it reactionary in its general thrust and do not accept the designation that it is bourgeois nationalism.

Nationalism is one of the most complex phenomena confronting Marxists and has become infinitely more so with the delay of the socialist revolution in the advanced sectors of the capitalist world and the peculiar forms of degeneration that have evolved in the "workers states" (*Trotskyist designation of the Stalinist bureaucratically deformed planned economies, i.e., USSR, China, Eastern European satellites -ed.*) We intend in the course of this discussion to attempt to come to grips in a very full way with this question. The concepts expressed in **Canada and the Crisis of World Imperialism**, instead of clarifying this complex phenomenon, only further muddy the question, and worst of all cut us off from effectively presenting our revolutionary socialist and internationalist views in the working class struggle where this nationalism is becoming an important question.

We say today to the authors of **Canada and the Crisis of World Imperialism** what comrade Riddell said in 1968 to comrade Engler. Do not weigh "down our movement with the burden of an anti-nationalist campaign." Our movement knows how to, and is fully prepared when necessary, to swim against a stream of reaction, but this nationalism is not in any way shape or form a stream of reaction but is fraught with radical possibilities.

Is nationalism reactionary and can it be formally counterposed to internationalism by Marxism-Leninism-Trotskyism? All our doctrine says clearly and unmistakably no!

Is nationalism in advanced capitalist countries reactionary? We had to reply to the Canadian Party of Labor - Not at all! Not in Quebec which has an advanced capitalist economy! Add when they pointed out Lévesque at the head of the biggest organized political expression of this phenomena, we continued to say — Not at all! Not in Quebec, even though petty bourgeois elements are at this time at the head of it and are manipulating it, pandering to many of its contradictory manifestations and temporarily derailing it through the Parti Québécois from taking a clear class direction. The Québécois as a nation are an oppressed national minority imprisoned in the Canadian federal state. The catch-phrase "nationalism of an oppressed nation is progressive" is generally suitable to express our view on this.

But another phrase under the guise of its being a corollary to the former has been bandied about — "nationalism of an oppressor nation is reactionary." We think that this is quite unacceptable — above all of course because it is non-concrete, non-specific in character. Canada is both an imperialized and an imperialist nation. Any nationalism in Canada that justifies the oppression of the peoples of the Caribbean by the Canadian capitalists and their system, any nationalism that justifies the oppression of the Québécois — we all agree — is reactionary through and through. Insofar as the Canadian workers could be held in any way responsible, it is our shame. But of course we workers, and certainly we revolutionary socialists, are not in any way responsible for the oppression of the Caribbean people or the Québécois, just as whites we accept no responsibility for the racism of capitalist society or as those of us who are males accept no responsibility for the sexism, for the oppression of women or gays.

Canada is an imperialized nation. The developing response of wider sections of Canadians to the US takeover, combined with the developing opposition to US imperialism's world policies is promoting what can only be called nationalism.

The document **Canada and the Crisis of World Imperialism**, when it deals with this nationalism in English Canada treats it as a generalized formula plopped firmly in the slot: bourgeois — hence reactionary. This is totally false. This is exactly what this nationalism, now an important fact of life, is not. This nationalism, while containing contradictory elements, is radical and progressive.

It is notably absent from the ranks of the Canadian bourgeoisie and their agencies. Prime Minister Trudeau himself on several occasions has gone out of his way to attack Canadian nationalism, attempting to make out that it is anti-American people, which is hardly even an element of it. But it is an important phenomenon and it is developing amongst students, particularly the radicalizing layers, and among widening layers of workers, including unionized workers.

## Trotsky's and Lenin's views on nationalism

On page 22 of **The Transitional Program**, after dealing with what he calls "abstractions, general formulas, lame phraseology", in this case disarmament, and the most hateful form of bourgeois nationalism — Defence of the Fatherland — during an inter-imperialist war, Trotsky writes:

"It is necessary to interpret these fundamental ideas by breaking them up into more concrete and partial ones dependent upon the course of events and the orientation of thought of the masses. In addition it is necessary to differentiate strictly between the pacifism of the diplomat, professor, journalist, and the pacifism of the carpenter, agricultural worker and charwoman. In one case pacifism is a screen for imperialism. When the small farmer or worker speaks about the defence of the fatherland, he means defence of his home, his families and other similar families from invasion, bombs and poisonous gas. The capitalist and his journalist understand by the defence of the fatherland the seizure of colonies and markets, the predatory increase of the 'national' share of world income. Bourgeois pacifism and patriotism are shot through with deceit. In the pacifism and even patriotism of the oppressed, there are elements which reflect on the one hand a hatred of destructive war, and the other a clinging to what they believe to be their own good — elements which we must know how to seize upon in order to draw the requisite conclusions."

Lenin has also commented on this kind of nationalism. Perhaps he dealt with it most fully in his essay "The National Pride of the Great Russians," dated December 4, 1914, some months after World War I had broken out and the fumes of bourgeois nationalist chauvinism were engulfing Europe. The article defines the attitude of the Great Russian Social Democrats (revolutionary socialists of the oppressor nation) to the ideological trend of national chauvinism.

"Is the sense of national pride alien to us Great Russian class-conscious proletarians," asks Lenin? "Certainly not. We love our language and our country, we are doing our utmost to raise **her** toiling masses (i.e. nine-tenths of her population) to democratic and socialist consciousness. It pains us more than anybody to see and feel the outrage, oppression and humiliation inflicted on our splendid country by the tzarist hangmen, the nobles and the capitalists." He recalls the Great Russian democrat Chernyshevsky's words, 'A miserable nation, a nation of slaves from top to bottom -

all slaves. The avowed and unavowed Great Russian slaves,' (the Great Russians were the oppressor nation-RD), he continues, "do not like to recall these words. Yet in our opinion, these were words of genuine love of our country, love saddened by the absence of a revolutionary spirit among the masses of the Great Russian people."

Lenin expressed "a sense of national pride", and continued, "The interests (not in the slavish sense) of the national pride of the Great Russians coincide with the **socialist** interests of the Great Russian (and all other) proletarians. Our model will always be Marx, who having lived in England for decades, became half English and demanded freedom and national independence for Ireland in the interests of the socialist movement of the English workers. In the latter case that we have assumed, our homegrown social chauvinists, Plekhanov, etc., etc., will not only prove traitors to their country, free and democratic Great Russia, but also traitors to the proletarian brotherhood of all the nations of Russia, i.e. to the cause of socialism."

Some comrades who recognize the progressive character of this Canadian nationalism have expressed concern as to what it means for our position for an "Independent Quebec." Is there not a danger that this nationalism among English Canadian workers can be transformed into something entirely reactionary and against the right of self determination of the Québécois?

There are no guarantees. It seems clear to us today, however, that even those forces which make the struggle against the US takeover their central strategy, the Maoist CPC-ML and CLM, the MISC, the CP, identify themselves with the right of Quebec to self-determination. In fact they put Quebec and English Canada in the same boat - a common enemy, the Canadian boss class in control of the state, has sold out Quebec and English Canada to US corporate power!

Our position is clear — we know where we stand on both this nationalism in English Canada and the struggle for an independent and socialist Quebec. Our policy on nationalism cannot be established on the basis of some future possible development. On some matters it is very difficult to determine future developments. The great Tory hope in Quebec, Wagner, no doubt with the full agreement of possible next Prime Minister Stanfield, publicly and unmistakably identified his party with the right of self determination, including separation of Quebec from Canada. Lévesque claims to have documents that show that the present government is already resigned to Quebec separation and the only question is the terms.

Yes, our position is clear. And as revolutionary socialists, as Marxists, we have to deal with real questions. We have to cope with the concrete and specific, as Trotsky admonished us, and work out from there.

It is necessary to reject this document and the burden of an anti-nationalist campaign it would saddle us with. It is necessary to return to the 1968 position on Canada-US relations and its central thesis. Only from that base can we move out and grasp the new challenges that confront us.

Our next contribution will deal with the method of the 1968 document. Appended at the end of this is the Dowson-Lomas statement to the Political Committee.

## **Statement on Draft Resolution on "Canada and the Crisis of World Imperialism"**

While Canada has an advanced capitalist economy with a strong capitalist class in state power, and is imperialist, Canada is rapidly approaching economic integration with the United States.

While we do not consider that this fact projects any general national tasks, with respect to English Canada, alliances of any kind with the Canadian capitalist class or any part of them (the enemy is in our own country), we think that this economic integration of Canada with the most powerful imperialist power in the world will extend and deepen responses within the ranks of the working class, which we have characterized as anti-US imperialist and which we should now call nationalist - a nationalism which has been developing to an anti-capitalist consciousness.

It is not reactionary. It is not opposed in its general thrust to Québécois nationalism for instance. We must identify with it in order to understand politics in Canada and in order to effectively propagandize our revolutionary socialist views and build the Trotskyist party.

We reject the document **Canada and the Crisis of World Imperialism** because we consider that it essentially rejects the line of the document "Canada-U.S. Relations" which was adopted at our 1968 convention. We think that the 1968 document requires some changes and adjustments in the light of the important developments over the past four years; however, it is our opinion that it is one of the most precious achievements of our movement and it provides the only correct basis from which to move forward.

The document **Canada and the Crisis of World Imperialism** fails to deal with the domination of Canada by US imperialism and where it does touch on it, it is entirely insufficient, if not wrong. It is incorrect in its characterization of the Canadian capitalist class from the point of view of its position in Canada and its investments on a world scale as a powerful capitalist class - in relation to the United States capitalist class and even lesser imperialist powers. The crisis of world imperialism, focusing in on the US as the chief imperialist power, does not allow greater independence of Canadian capitalism but increasing needs to adjust to the domination of US imperialism.

This fact is compelling US imperialism to adopt an even more ruthless exploitation of Canadian resources and of the working class of Canada — and to heighten the struggle of the Canadian workers against the Canadian capitalist class for its defense of US capitalism's thrust to economically integrate Canada — which we consider if not already realized, to be inevitable.

Kent (Ross Dowson pseudonym) Marlon  
November 14, 1972